



**OFFICE OF THE  
CITY AUDITOR**

**REPORT OF ACTIVITIES AND FINDINGS  
THROUGH MARCH 15, 2004**

**A REPORT TO THE SAN JOSE CITY COUNCIL**

March 24, 2004

Honorable Members of the City Council  
801 North First Street, Room 600  
San Jose, CA 95110

In accordance with Charter Section 805(e), I am submitting a written report of the Office of the City Auditor's activities for the period of February 16, 2004 through March 15, 2004 and schedule of audit costs for February 2004.

The monthly report contains the following sections:

- Status of Assignments in Progress
- Other Activities
- Schedule of Audit Costs for February

If you need any additional information, please let me know.

Respectfully submitted,

Gerald A. Silva  
City Auditor

GS:bh  
Attachment

**Office of the City Auditor**  
**Status of Assignments in Progress as of March 15, 2004**

	Preliminary Survey	Risk Assessment	Audit Field Work	Report Writing	Projected Issuance Date*
<b>On-going Assignments</b>					
Quarterly Sales and Business Tax Audit	N/A	N/A	On-going		
Cardroom Audit Overview	N/A	N/A	On-going		
Audit Recommendation Follow-up Report	N/A	N/A	On-going		
Annual Financial Audit & Single Audit Overview	N/A	N/A	N/A	N/A	N/A
Pre-emptive Auditor involvement in bond measures O & P and the Strong Neighborhoods Initiative	Completed	Completed	On-going		
Other Revenue Audits	Completed	Completed	On-going		
Petty Cash and Change Funds	Completed	Completed	On-going		
Property Tax Allocation	On-going	On-going	On-going		
Information Systems Audits	On-going	On-going	On-going		
<b>Assignments In Progress</b>					
Concentrated Code Enforcement	Completed	Completed	Completed	Completed	April 2004
Hazardous Incident Team	Completed	Completed	Completed	Completed	April 2004
Public Works Real Estate Division - Acquisitions and Relocation	Completed	Completed	Completed	Completed	May 2004
School Crossing Guard Program-Phase II	Completed	Completed	Completed	In Progress	
Airport Concessions Contracts	Completed	Completed	In Progress		
Public Works Transportation Contract Cycle Times	Completed	Completed	In Progress		
General Services-Phase III	Completed	Completed	In Progress		
Information Technology Department	Completed	Completed	In Progress		
Environmental Services Department Laboratory	Completed	In Progress			
Workforce Investment Network Service Delivery and Financial Reporting	Completed	In Progress			
San Jose Municipal Water System	In Progress				
Traffic Calming	In Progress				
RDA Disposition and Development Agreements	In Progress				
Regional Parks Staffing and Maintenance Levels	In Progress				
Public Art Project Allocation Process	In Progress				
<b>Assignments Not Yet Started</b>					
Call Center Information and Referral Services					
Los Lagos Golf Course Operations and Finances					
Police Department Radio Channel Staffing **					
Public Works Cost Estimation Process					
<b>Assignments Completed</b>					
General Services-Vehicle Replacement Phase II	Completed	Completed	Completed	Completed	January 2004
Overhead Reimbursements Memorandum	Completed	Completed	In Progress	Completed	December 2003
Review of Accounts Receivable System Acquisition Memorandum	Completed	Completed	In Progress	Completed	December 2003
Bureau of Fire Prevention	Completed	Completed	Completed	Completed	December 2003
School Crossing Guard Program - Phase I	Completed	Completed	Completed	Completed	October 2003
Audit Recommendation Follow-up Reports as of June 30, 2003	Completed	Completed	Completed	Completed	September 2003
Quarterly Sales and Business Tax Results as of June 30, 2003, September 30, 2003	N/A	N/A	On-going	N/A	August 2003 January 2004
General Services-Building Management Division	Completed	Completed	Completed	Completed	August 2003
Redevelopment Agency Budget Analysis	Completed	Completed	Completed	Completed	August 2003
Strong Neighborhoods Initiative Memorandum	Completed	Completed	Completed	Completed	July 2003
Neighborhood Development Center	Completed	Completed	Completed	Completed	July 2003

\* Projected Issuance Dates are usually six weeks after Report Writing is completed to accommodate exit conferences, draft report revisions and a three week allowance for the administration to prepare a written response. For the Assignments Completed, the date shown is the actual month of report issuance.

\*\* Deferred

## **OTHER ACTIVITIES**

During February 16, 2004 through March 15, 2004, the City Auditor:

1. Issued a preliminary draft of and held an exit conference on our audit of the Code Enforcement Program.
2. Held an entrance conference on our audit of the Public Art Program.
3. Met with the Director of Retirement Services regarding the City's contract with external auditors, Macias, Gini, and Co.
4. Met with City Manager's Budget Director regarding airport police cars.
5. Met with the City Manager regarding our vehicle utilization audit.
6. Met with Police Department staff regarding marked and unmarked police cars.
7. Met with Fire Department and City Manager's Office staff regarding our work on the Hazardous Incident Team.
8. Hosted a 20-person international delegation from the Beijing Superior Court.
9. Met with City Council Members regarding various audit assignments.

**OFFICE OF THE CITY AUDITOR  
SCHEDULE OF AUDIT COSTS  
FOR THE MONTH OF FEBRUARY 2004**

<b>Audit Assignment</b>	<b>Audit Hours</b>	<b>Audit Costs</b>	<b>%<sup>1</sup></b>
General Services Vehicles	360	\$26,998	16.0%
Hazardous Incident Team Follow-up	280	20,999	12.5
Sales and Business License Taxes <sup>2</sup>	701	17,935	10.6
Vacation, Sick, and Other Leaves	209	15,673	9.3
Contract Cycle Times	154	11,550	6.9
Airport Concessions	137	10,275	6.1
Public Works – Real Estate Division (Phase II)	120	9,000	5.3
Information Technology Department	108	8,100	4.8
Holiday	106	7,950	4.7
Concentrated Code Enforcement	103	7,725	4.6
Administrative <sup>3</sup>	100	6,284	3.7
Fire Department	82	6,150	3.7
RDA DDA – Parking Garage	68	5,100	3.0
Silicon Valley Workforce Investment Network	40	3,000	1.8
Traffic Calming	38	2,850	1.7
Performance-Based Budgeting	31	2,325	1.4
Public Art Program	30	2,250	1.3
San Jose Municipal Water	19	1,425	0.9
Peer Review Reciprocity	12	900	0.5
RDA DDA – Villa Torino	10	750	0.4
ESD Lab	7	525	0.3
Training	5	375	0.2
School Crossing Guard Program	5	375	0.2
Assistance to SJPd on Bay 101	2	150	0.1
<b>Totals</b>	<b>2,727</b>	<b>\$168,664</b>	<b>100.0%</b>
<b>Total Cost Per FMS</b>	<b>\$168,664</b>		

<sup>1</sup> These may be slightly off because of rounding.

<sup>2</sup> Includes 570 intern hours.

<sup>3</sup> Includes 20 intern hours.

